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NOMINATION OF JOHN W. SHANNON TO BE ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND LOGISTICS)

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

NOMINATION OF

JOHN W. SHANNON TO BE ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND LOGISTICS)

JANUARY 23, 1985

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NOMINATION OF JOHN W. SHANNON TO BE ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND LOGISTICS)

WEDNESDAY, JANUARY 23, 1985

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee convened, pursuant to other business, at 11:33 a.m., in room S-407, the Capitol, Senator Barry Goldwater, presiding.

Present: Senators Goldwater, Thurmond, Warner, Wilson, Nunn, Exon, and Levin.

Staff present: James F. McGovern, staff director and chief counsel; Arnold L. Punaro, staff director for the minority; Alan R. Yuspeh, general counsel; Jeffrey H. Smith, minority counsel; Robert F. Bott, William E. Hoehn, Jr., James R. Locher III, Carl M. Smith, and Bob Bell, professional staff members; and Marie Chaillet, staff assistant.

Also present: Gerald J. Smith, assistant to Senator Goldwater; James H. Dykstra, assistant to Senator Cohen; and Francis J. Sullivan, assistant to Senator Stennis.

OPENING STATEMENT BY SENATOR BARRY GOLDWATER, CHAIRMAN

Senator GOLDWATER. The committee will come to order.

Representative Holt is here to introduce Mr. Shannon as our next order of business. We do not have a quorum, but we will leave the record open to poll the members absent.

John W. Shannon is to be Assistant Secretary of the Army for Installations and Logistics. He is the person serving in this position and he was appointed during recess. The President resubmitted Mr. Shannon's nomination for our formal consideration.

[The nomination, reference, and biography of Mr. Shannon follow:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
January 3, 1985.

Ordered, That the following nomination be referred to the Committee on Armed Services:

John W. Shannon, of Maryland, to be an Assistant Secretary of the Army, (New Position—P.L. 98-94 of September 24, 1983), to which position he was appointed during the last recess of the Senate.

BIOGRAPHICAL SKETCH OF HON. JOHN W. SHANNON, ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND LOGISTICS)

Mr. John W. Shannon was nominated for the position of Assistant Secretary of the Army for Installations and Logistics on October 5, 1984. The President recess appointed him to the position on December 7, 1984, and he took the oath of office on December 13, 1984. In his current position, he is the principal advisor and assistant to the Secretary of the Army for Department of the Army policy and activities in the areas of installations and logistics. He also directs commercial activities and accompanying contract administration throughout the Department of the Army.

Concurrent with his appointment as Assistant Secretary of the Army for Installations and Logistics, Mr. Shannon continues to perform the duties of the Deputy Under Secretary of the Army, a position which he has held for over three years prior to his present appointment. In this capacity, he is responsible for assisting the Secretary and Under Secretary of the Army in the formulation of overall policy, procedures and programs of the Department of the Army. He also provides advice and assistance to the Secretary and Under Secretary on matters falling within the general management of the Department.

A native of Louisville, Kentucky, Mr. Shannon attended public schools in that city and graduated from Central State University in Wilberforce, Ohio, in 1955 with a Bachelor of Science degree in Industrial Education. He received his Master of Science degree in Public Administration from Shippensburg State College, Shippensburg, Pennsylvania; pursued additional postgraduate studies at Catholic University; and is a graduate of the United States Army War College.

Upon graduation from college, Mr. Shannon was commissioned into the Regular Army as a second lieutenant, Infantry. He served on active duty for over 23 years from 1955 to 1978. During that time, he served in various capacities as a commander and staff officer. His active duty service included two tours in the Republic of Vietnam as an advisor and as an Infantry battalion commander. Mr. Shannon retired in the grade of colonel.

His experience in the areas of military manpower policy and congressional affairs activities includes working as a congressional liaison officer in the Office of the Secretary of the Army and serving as Special Assistant for Manpower, Reserve Affairs and Logistics to the Assistant Secretary of Defense for Legislative Affairs.

Among Mr. Shannon's numerous awards are the Combat Infantry Badge, Parachutist Wings, and the Ranger Tab. He is also a recipient of the Legion of Merit, Defense Superior Service Award, Defense Meritorious Civilian Service Award, Bronze Star, Meritorious Service Award with Oak Leaf Cluster, Air Medal, Army Commendation Medal with first Silver Oak Leaf Cluster, Secretary of Defense Award for Outstanding Public Service, Vietnamese Cross of Gallantry with Palm, four Vietnam Battle Campaigns, Roy Wilkins' Meritorious Service Award, and the Korean Gugseon Medal.

Mr. Shannon and his wife, Jean, have one son, John, Jr.

[The prepared statement of Senator Sam Nunn follows:]

PREPARED STATEMENT OF SENATOR SAM NUNN

John, it is a distinct pleasure for me to welcome you and your family to the Committee this morning. Mr. Chairman, I have had the privilege of knowing John Shannon for many years. He has worked with this Committee on many key issues over the years, particularly in the manpower area. His distinguished military and civilian career is contained in the biographical material submitted to the Committee and I won't take the Committee's time to recite it. I would like to note that John Shannon is uniquely qualified for this position by virtue of his distinguished service of over 23 years as an infantry officer, as a manpower advisor and for the last three years as the Deputy Secretary of the Army. It is always a pleasure to see a dedicated public servant recognized for excellence and appointed to a senior position.

I would note, Mr. Chairman, that John Shannon will fill a new position, that of Assistant Secretary of the Army for Installations and Logistics. This position was created in an effort to improve management in this important field. I have great respect for John's ability and judgment and I will support his nomination.

Senator GOLDWATER. Personally I have known Mr. Shannon for some time. He is a very competent person.

Mrs. Holt, we welcome you.

STATEMENT OF HON. MARJORIE S. HOLT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mrs. HOLT. Thank you very much.

It is certainly a great privilege to be here before this distinguished committee.

It is a great honor for me to have the opportunity to introduce my good friend, Mr. John Shannon. I am sure you are all familiar with the work Mr. Shannon has done as Deputy Under Secretary of the Army for more than 3 years.

He has been involved in the formulation of policy and procedures and programs for the Department of the Army. Prior to that he had a very distinguished 23-year career as an Army officer with two tours of combat in Vietnam.

He has also served as congressional liaison officer in the Office of the Secretary of the Army. You certainly know that that is real combat duty.

As a member of the House Armed Services Committee, I have worked closely with Mr. Shannon in the 12 years I have been there. I have been impressed with his intelligence, his ability and professionalism. Even more importantly, I know him as a man of honor with great commitment to serving his country.

So, Mr. Chairman, I thank you very much for your consideration of Mr. Shannon and for giving me the opportunity to present him to you.

Senator GOLDWATER. It is always a pleasure.

Mr. Shannon, do you have any comments you wish to make?

STATEMENT OF JOHN W. SHANNON

Mr. SHANNON. Thank you very much for giving me this opportunity to appear before the committee.

I would also like to thank Mrs. Holt. Even though I am her constituent, I also worked for her for the last 10 or 12 years as liaison officer in some capacity in the Department of Defense.

I would like to thank you, Mr. Chairman, and a distinguished member of the committee, Senator Nunn, and the other distinguished members for the opportunity to appear.

Let me say that as I sit here, Mr. Chairman, it takes me back some 12 or 13 years. I first came to work with this committee in the capacity as liaison officer, and as I sit here it puts me in a position of very much humility. I am honored to have served with this committee's distinguished members, and let me say I respect your staff as probably one of the most professional staffs on the Hill. I have learned a great deal from them. We have grown together and learned together.

If I might say, I have sitting there behind the desk some very good friends and colleagues who have taught me over the years. I remember, Mr. Chairman, when I first started out, Senator Nunn taught me about manpower and personnel, and I have cherished that.

I had the opportunity to learn from Senator Thurmond and Mr. Smith about military construction and logistics. Senator Warner was one of the first Senators, when the President saw fit to nominate me for this position, to offer me his support.

I remember Mr. Exon when I served on the Personnel Subcommittee. He often barked at me as liaison officer. Mr. Levin also gave me a hard time, but I learned from those experiences. Therefore, I am honored to be here and continue to learn from this committee.

Let me say that I left college and went right into the military service, served 23 years on active duty. Since that time I have had the pleasure and the opportunity to serve as a civil servant.

I hold nothing more important in my life than the care and the training of the young people which the American people provide for the U.S. Army to take care of, to train and make professional soldiers out of them, and for those who want to return to civilian life, return them as good citizens.

That is my responsibility to serve the American people and there is nothing higher than that.

With that, Mr. Chairman, I thank you again for the opportuntiy to be here.

Senator THURMOND. Mr. Chairman, I have known Mr. Shannon for a number of years. He is a very able, dedicated, patriotic officer and gentleman. I think we are fortunate to have him in this position.

I highly recommend him. When the proper time comes, I will be glad to move his nomination.

Senator GOLDWATER. You have already moved it.

Senator NUNN. Mr. Chairman, I have known John for a long time. He is, I think, the epitome that we should be looking for in the important job he is about to fill.

He is a distinguished military officer, very knowledgeable about military manpower policy. He is knowledgeable about this committee. The kind of comments he made about the staff indicates he knows who makes decisions around here.

He has been a superb officer, superb civilian servant. I am very proud he is going to be in this important position.

Mr. SHANNON. I don't know how to answer that. I have learned over the years if I answer that by saying that the Secretary of the Army has told me I am to continue in my capacity as Deputy Under Secretary, what goes through the staff's mind is that that is a position we should cut; if he can hold it now, he should not have had it in the first place.

But the Secretary of the Army has asked that I continue to fulfill that job until he has found someone else to do that.

Senator WARNER. Mr. Chairman, I would like to note my great pleasure in voting for this nomination. I can think of no person who is better qualified by virtue of experience to take on this responsibility.

Mr. Chairman, I think we should observe the presence in this room of a lovely lady, undoubtedly a working partner of this Secretary to be. Perhaps the Chair would like to recognize her.

Senator GOLDWATER. I recognize her. Mrs. Shannon, will you stand up? We are very happy to have you here.

Senator EXON. Mr. Chairman, may I add my accolades to the career record that Mr. Shannon has achieved. I will second the motion to confirm.

Senator GOLDWATER. Without objection, the nomination will be duly approved and we will poll the other members.

QUESTIONS SUBMITTED BY SENATOR BARRY GOLDWATER, ANSWERS SUPPLIED BY JOHN W. SHANNON

Senator GOLDWATER. Mr. Shannon, if you are confirmed as Assistant Secretary of the Army for Installations and Logistics, you would be responsible for base closures and realignments. What is your view with regard to base closures? Are there some Army bases that might be closed to save some money?

Mr. SHANNON. My philosophy on base closures is that no installation should be considered for closure unless that action is consistent with the Army criteria for force readiness and mobilization. There should be a high expectation of economies and efficiences associated with such a proposal, and the action should be achievable. Just as important is the belief that the Army should always be looking for ways to more effectively carry out its mission. If a base is clearly not needed—close it.

Senator GOLDWATER. How many basic training posts does the Army have? Could you close one or two and shift the workload to the remaining posts?

Mr. SHANNON. The Army currently has seven basic training posts. These are Fort Dix, NJ; Fort Jackson, SC; Fort Bliss, TX; Fort Leonard Wood, MO; Fort McClellan, AL; Fort Knox, KY and Fort Sill, OK.

The current training base composition is necessary to support the Army training mission. Several initiatives are under review which could affect this training base requirement. The proposal to consolidate the Engineer School and Center at Fort Leonard Wood, MO would affect the available resources there. The Army is also studying a proposal to realign and consolidate the training for eleven advanced specialties. This study could lead to changes at Fort Jackson, SC; Fort Dix, NJ; Fort Lee, VA; Fort Benjamin Harrison, IN and Fort Leonard Wood, MO.

Senator GOLDWATER. Has the Army experienced the same problems in purchasing spare parts as the Navy and the Air Force apparently have?

Mr. SHANNON. The Department of the Army issued over 4.6 million procurement actions during FY 84. Of these actions a large percentage were for spare parts. As a result of a review of completed contracts we have noted some procedures which need improvement. No errors such as have been reported for the Departments of the Air Force and Navy, have come to my attention concerning procurement actions issued by the Department of the Army.

Senator GOLDWATER. What steps has the Army taken in the spare parts area?

Mr. SHANNON. The Department of the Army has taken action to fully implement Secretary Weinberger's spare parts management improvement initiatives. Improvement areas which we are pursuing include consolidation of requirements, supply inventory management, spare part and component breakout programs, and increased emphasis on competition, to include challenging the need for sole source determinations by competition advocates. We have also authorized an additional 1063 new spaces to be dedicated to the improvement of the spare parts acquisition process. A new state-of-the-art interactive computer network is being established to shorten the acquisition process administrative leadtime. Wholesale spare parts management initiatives have increased competition to 51% of dollars procured and reduced unpriced instruments by 64%.

Senator GOLDWATER. We will almost certainly have to make reductions in the Defense Department budget for FY 1986. Can't we achieve some savings in the military construction accounts without compromising readiness or military capability?

Mr. SHANNON. The military construction account is one which frequently is targeted to provide savings. The Army base structure is significantly older than any of the other services, and as such, is frequently in need of either expensive renovation or replacement. The facility situation is made even worse given the Army's extensive mobilization requirement and the congressional mandate to eliminate temporary World War II facilities. Soldiers currently utilize substandard housing and working facilities in many locations. Many maintenance facilities in Korea and Europe are unsatisfactory and family housing for today's soldier is frequently not available on-post. Our retention suffers when families must wait 12–24 months in some cases for on-post housing or pay exorbitant off-post rentals.

In summary, I not only do not believe the military construction accounts can offer meaningful savings but they should be increased wherever possible. They represent a tangible commitment to the soldier and his family and every effort should be made to improve these living and working conditions.

[Whereupon, at 11:41 a.m., the committee proceeded to other business.]

[The nomination of John W. Shannon was reported to the Senate by Senator Goldwater on January 24, 1985, with the recommendation that the nomination be confirmed. The nomination was confirmed by the Senate on January 31, 1985.]

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